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OFFICE OF THE ASSISTANT SECRETARY
(INSTALLATIONS AND ENVIRONMENT)
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WASHINGTON, D.C. 20350-1000

JUL 3 2002

Mr. Jeffrey S. Clark
Acting Director, Office of Air Quality Planning and Standards
EPA Docket #A-2001-31
Air & Radiation Docket and Information Center
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue
Washington, DC 20460

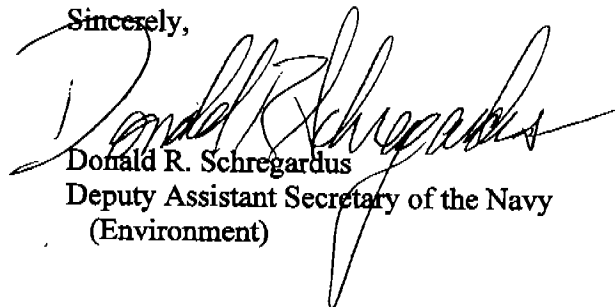
Dear Mr. Clark:

In response to EPA's request for stakeholder comments on how to best implement the 8-hour ozone National Ambient Air Quality Standards consistent with the Supreme Court's decision in *Whitman v. American Trucking Association*, enclosed are comments from the Clean Air Act Services Steering Committee. The committee represents the Departments of the Navy, Air Force and Army, as well as several other Department of Defense (DoD) components and agencies.

DoD is primarily concerned that the implementation rule address transport issues, particularly intrastate transport that occurs in the western states, and that the rule provide more specific guidance to states to include General conformity budgets in their State Implementation Plan development.

We appreciate your continued effort to understand and accommodate our concerns. If you have any questions, or would like to discuss these comments further my point of contact is Alison D. Ling at (703) 602-2252 or e-mail ling.Alison@hq.navy.mil.

Sincerely,



Donald R. Schregardus
Deputy Assistant Secretary of the Navy
(Environment)

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ATTACHMENT A
DOD COMMENTS ON EPA 8-HOUR OZONE
NAAQS IMPLEMENTATION OPTIONS

I. Issue - Addressing Transport in the 8-Hour Ozone Implementation Program

- A. EPA Question - Should EPA designate large nonattainment areas, including both the violating areas and the contributing areas?

Comment: The Department of Defense (DoD) does not agree with the proposal to combine air basins into large nonattainment areas that combine violating and contributing areas. This designation method would penalize downwind areas. The recipients of upwind pollutants would be subject to the same stringent classification system and planning requirements with no ability to reduce emissions within their own region to low enough levels to attain the National Ambient Air Quality Standards (NAAQS). In cases where the upwind area has better air quality than the downwind area but contributes to the downwind area's nonattainment status through transport, the upwind area could be designated at the higher classification to force more immediate action.

- B. EPA Question - EPA asked if it should rely on existing Clean Air Act (CAA) provisions and organizations to analyze and resolve transport. EPA cited section 110(a)(2)(D)(i) of the CAA, the existing regional haze Regional Planning Organizations, the Ozone Transport Region defined in section 184 of the CAA, and section 126 of the CAA as possible basis for their effort.

Comment: DoD agrees that existing methods should be considered when addressing interstate transport. However, intrastate transport is not addressed by any of these methods. Many states contain air quality regions that directly affect downwind regions within the same state. EPA must consider guidance, rule changes or reinterpretation of existing transport guidance to cover intrastate transport.

- C. EPA Question - EPA asked how it should take into account the impact of transport on attainment dates when designating nonattainment areas for the 8-hour ozone standard.

Comment: Attainment dates for downwind (receiving) areas cannot be set earlier than the date set for the contributing area. This situation can occur under the current standards when a receiving area is designated at a lower classification than the contributing area. The lower classification has an earlier attainment date, which the area cannot meet without action from the contributing area. Thus the receiving area is penalized for not attaining on time. These downwind areas impacted by transport should have an attainment date that is no earlier than the attainment date of the contributing area.

Example: Under the PM10 standard, EPA proposed to separate the Coso Junction area from the Searles Valley, California, nonattainment area and reclassify the Coso Junction area from "moderate" to "serious" nonattainment for PM10. The Coso

Junction area was not able to meet the December 31, 1994 attainment deadline due to the transport of PM10 from Owens Lake. The proposed nonattainment area affects a significant portion of Naval Air Weapons Station China Lake, an installation of vital importance to DoD because of the unique research, development, testing and evaluation activities located there. One of the serious impacts of the reclassification would be the more stringent threshold for General Conformity that can prevent or delay these important activities or mission realignments and consolidations. It is critical to note that none of the additional regulatory consequences imposed by the proposed reclassification would result in an improvement of air quality for the area.

- D. EPA Question - Should States be encouraged to perform regional scale modeling to address transport and should ozone monitoring be expanded in transport areas?

Comment: Modeling may be beneficial when there are questions regarding the severity of transport but full-scale modeling is both expensive and technically challenging. Other techniques are available such as California Air Resources Board's studies of transport couples. Regional modeling should include both interstate and intrastate regions, where applicable. Where modeling is required to quantify the transport effects, additional ozone monitoring may be necessary. Once adequate data is collected, downwind areas should not be required to finance and maintain additional monitors.

- II. **Issue: The relationship between ozone transport, designations, and attainment dates.**

Comment: To recognize the impact of transport on an area's attainment status, EPA should consider a designation similar to the "international" status that was proposed in the original 8-hour ozone implementation plan. The CAA includes section 179B that applies to areas impacted by emissions emanating from outside the United States. This provision has been used to allow areas designated under the 1-hour ozone standard to show that their State Implementation Plans (SIPs) would be adequate to attain the NAAQS "but for" emissions emanating from outside the U.S. A "transport" designation would protect the area from redesignation at a higher level because of the transported emissions from the contributing area.

Recommendation 1: The California Clean Air Act (CCAA) model approaches the issue of transport in a reasonable way. Under the CCAA, areas are designated attainment or nonattainment based on the ambient concentrations. However, there is then a second step in which the area's specific planning and control requirements are determined based on what would be required to attain in the absence of transport. Additionally, areas that are found to contribute overwhelmingly to downwind nonattainment problems must achieve reductions needed to address the problem in both their area and the downwind area. Therefore, an area such as East Kern County, which is "moderate nonattainment" for the ozone California Ambient Air Quality Standard but is identified as overwhelmingly impacted by transport from the San Joaquin Valley, is not penalized and has very few additional requirements.

Recommendation 2: Along similar lines, and to mesh the above concept with the structure of the CAA, perhaps a classification band of "attainment but for transport" could be used. These areas would have no mandatory controls and no attainment date. These areas would be designated "nonattainment" in the sense that their ambient concentrations exceed the NAAQS, but as in the California model, they would not be penalized. Further, once the upwind contributing area attains, there should be a simplified process by which the downwind area can petition for redesignation to attainment without the requirement for a maintenance plan.

III. Issue: General Conformity - this topic was not raised in any of the EPA issue papers published with the 8-hour ozone NAAQS implementation plan development but is of concern to DoD.

Comment: The CAA Services Steering Committee submitted DoD comments on the original "Proposed Implementation Guidance for the Revised Ozone and Particulate Matter (PM) National Ambient Air Quality Standards (NAAQS) and Regional Haze Program" (63 Fed. Reg. 45060, August 24, 1998). In our September 23, 1998 letter, we requested that EPA provide direction to the states as to general conformity budgets and processes, such that states are able to develop their SIP budgets with appropriate adjustments for general conformity when revisions to the rule are finally proposed. General Conformity Determinations rely heavily on accurate and forward-looking SIP emission budgets to allow federal projects to proceed. States need to be alert to federal agency general conformity needs for future growth and to work appropriate allowances into their budgets.